

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

BEREA COLLEGE WATER UTILITY)
DEPARTMENT, A DEPARTMENT OF) CASE NO. 8531
BEREA COLLEGE)

O R D E R

On May 18, 1982, the Berea College Water Utility Department ("Berea") filed an application with this Commission, pursuant to KRS 278.190, requesting that the Commission grant it an emergency increase in revenue of \$64,138 or 8.7 percent, effective June 25, 1982. In its application Berea stated that it had incurred net losses during each of the 5 months from November 1981 through March 1982 and that it had incurred net losses in 8 of the 12 months from April 1981 through March 1982. Berea further stated that with total operating revenue of \$738,539 during the 12 months ended March 31, 1982, it had incurred net losses during the period of \$25,414.

Berea contended that unless emergency rate relief was granted immediately it would suffer irreparable damage to its financial position, and that without such relief the continuance of losses such as those experienced during the test year would become tantamount to confiscation of its property without just compensation. No testimony in support of the proposed increase or these contentions was filed with the application.

The Commission, having considered the request for an emergency increase and being advised, is of the opinion and finds that:

1. Berea has not demonstrated that it is in violation of, or has failed to comply with, any loan or mortgage agreements into which it has entered.

2. The application and exhibits thereto do not indicate that Berea would be unable to perform its normal operations should the requested emergency increase be denied.

3. The financial data contained in the exhibits to the application do not reflect that an emergency exists with regard to Berea's financial condition, and Berea did not provide any additional evidence in its application in support of its request for emergency rate relief.

IT IS THEREFORE ORDERED that the request by Berea for an emergency rate increase be and it hereby is denied.

Done at Frankfort, Kentucky, this 22nd day of June, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Vohs
Chairman

Katherine Randall
Vice Chairman

Jim C. Cargen
Commissioner

ATTEST:

Secretary